

Women executives twice as likely to leave their jobs as men

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A new study has determined that female executives are more than twice as likely to leave their jobs – voluntarily and involuntarily – as men. Yet despite systemic evidence that women are more likely to depart from their positions, the researchers did not find strong patterns of discrimination.

Lead author John Becker-Blease, an assistant professor of finance at Oregon State University, and his co-authors at Loyola Marymount University and Trinity College, analyzed data from Standard & Poor's 1500 firms. They classified departures as voluntary or involuntary based on careful examination of public news accounts accompanying an executive's departure.

The study is featured in October's issue of *Economic Inquiry*.

"Departures of powerful female executives, as we saw with Carly Fiorina and Patricia Dunn at Hewlett-Packard, are often high-profile news events," Becker-Blease said. "Despite these very public departures, relatively little is really known about [women](#) executives, whether they are more likely to depart or be fired than men, and the reasons for their departures."

About 7.2 percent of women executives in the survey left their [jobs](#), compared to 3.8 percent of men. Both the voluntary rates (4.3 percent versus 2.8 percent for men) and the involuntary rates (2.9 versus 0.9 percent) were higher for women executives.

"We really had to dig deep to tease out any systematic patterns behind these departures," Becker-Blease said. "We did find that women were slightly more likely to leave smaller firms, and firms with more male-dominated boards, but this was a small effect size."

Becker-Blease said research has shown that women are more likely to leave a job due to domestic or social responsibilities than men, which could explain the higher voluntary departure rate.

As for the higher rate of being dismissed from a job, Becker-Blease said research suggests that women at the mid-levels of management may not be getting the kind of opportunities and professional support that they need to advance successfully to the top ranks.

"Recent research offers some intriguing evidence suggesting that while the market may seem to perceive women as less capable business leaders, the disparity isn't really about gender, but about the experience those women bring to the table, " Becker-Blease said. "It's likely that as more and more women earn opportunities at mid-and upper-level management, this will translate into more opportunities for successful stints as executives."

In addition, he said companies with female executives tend to help "grease the wheel" for other women to rise in the ranks, but women CEOs are still rare. A 2009 report showed only 13 women CEOs among Fortune 500 companies.

"Women benefit from women in positions of leadership," Becker-Blease said. "Our study contributes to the small body of work out there on women at the executive level. I think it is reasonably good news for women, in that we did not find evidence of discrimination at an obvious level, but the different rates of departure from the executive ranks is troubling."

Provided by Oregon State University

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